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UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

In re:

G-I HOLDINGS INC., et al.,

Debtors.

In Proceedings for Reorganization under Chapter 11

Case Nos. 01-30135 (RG) and 01-38790 (RG)
(Jointly Administered)

Hon. Rosemary Gambardella, U.S.B.J.

Hearing Date: May 27, 2008 at 11:00 a.m.

Oral Argument: Requested, if Objection Filed

**MOTION OF G-I HOLDINGS INC. FOR AN ORDER PURSUANT TO
BANKRUPTCY RULE 9019(A) AND BANKRUPTCY CODE § 363
APPROVING SETTLEMENT AGREEMENT WITH CENTURY
INDEMNITY COMPANY AND AUTHORIZING THE SALE OF
INSURANCE POLICY RIGHTS FREE AND CLEAR OF LIENS,
CLAIMS, INTERESTS AND OTHER ENCUMBRANCES**

TO: THE HONORABLE ROSEMARY GAMBARDELLA
UNITED STATES BANKRUPTCY JUDGE

CREDITORS REQUESTING NOTICE AND OTHER PARTIES-IN-INTEREST

As and for its motion, pursuant to Federal Rules of Bankruptcy Procedure (“Bankruptcy Rule”) 9019, 2002 and 6004 and sections 105(a) and 363 of title 11 of the United States Code (the “Bankruptcy Code”), for approval of a settlement of certain environmental insurance coverage claims by G-I Holdings Inc., a chapter 11 debtor-in-possession herein (“G-I” or the “Debtor”), its indirect subsidiary, Building Materials Corporation of America d/b/a GAF Materials Corporation (“BMCA”) and International Specialty Products Inc. (“ISP” and, collectively with G-I and BMCA, “Policyholders”) against Century Indemnity Company (“Century”), and, in connection therewith, the sale of certain insurance rights and claimed rights free and clear of liens, claims, and encumbrances (the “Motion”), the Debtor respectfully represents as follows:

SUMMARY OF MOTION

1. By this Motion, G-I seeks an Order (i) approving the Settlement Agreement and Release between Policyholders and Century effective as of March 31, 2008 (together with the attachments thereto, collectively, the “Settlement Agreement”), with respect to Century’s liability for defense and indemnity costs arising from Policyholders’ actual and potential environmental-related liabilities at various sites around the country; (ii) authorizing and approving the transactions set forth in the Settlement Agreement, including, but not limited to, the compromises, settlements, and releases set forth therein (the “Settlement Transactions”); and (iii) authorizing and approving the sale of certain insurance rights and claimed rights under or pursuant to the Policies with respect to Environmental Claims, as defined in the Settlement Agreement (collectively, the “Policy Rights”) free and clear of liens, claims, encumbrances and interests pursuant to Bankruptcy Code § 363(f).

JURISDICTION

2. This Court has jurisdiction to consider this application pursuant to 28 U.S.C. § 1334. Consideration of this application is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue of this proceeding is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409.

BACKGROUND

A. The Debtor's Bankruptcy Case.

3. On January 5, 2001 (the "Commencement Date"), G-I commenced with this Court (the "Bankruptcy Court" or the "Court") a voluntary case under chapter 11 of the Bankruptcy Code. Subsequently, on August 3, 2001, ACI Inc. ("ACI"), a subsidiary of G-I, commenced its chapter 11 case. ACI's application for joint administration with G-I for administrative purposes was approved by this Court on October 10, 2001. Both G-I and ACI are authorized to operate their businesses and manage their properties as debtors in possession pursuant to Bankruptcy Code §§ 1107(a) and 1108.

4. No trustee or examiner has been appointed in these chapter 11 cases. On January 18, 2001, the United States Trustee appointed a statutory committee of asbestos claimants to serve in G-I's chapter 11 case. Thereafter, the United States Trustee changed the name of the statutory creditors' committee to the Official Committee of Asbestos Claimants (the "Committee").

5. On May 29, 2001, G-I filed an application for the appointment of a legal representative for the present and future holders of asbestos-related demands. By order dated September 6, 2001, the Court granted G-I's application and, thereafter, the

parties conferred regarding appropriate candidates. By order dated October 10, 2001, the Court appointed C. Judson Hamlin as the Legal Representative of Present and Future Holders of Asbestos Related Demands for G-I (the "Legal Representative").

B. Century's Policies and Policyholders' Claims.

6. Over the years, Century issued various insurance policies to Policyholders (collectively, "the Policies").¹

7. Policyholders assert that, pursuant to the Policies, Century must provide coverage for their defense and indemnity costs arising from over 120 allegedly contaminated sites located across the United States ("Environmental Claims"). Each Policyholder bears responsibility, and owns the insurance coverage rights, for different environmental sites.²

C. The Environmental Coverage Action.

8. To enforce their claims for environmental defense and indemnity costs, Policyholders filed an insurance coverage action captioned G-I Holdings Inc., et al. v. Hartford Accident and Indemnity Company, et al., Docket No. L-980-97 which is

¹ As defined in the Settlement Agreement, and as used herein, "Policies" means "any and all insurance policies issued or allegedly issued or assumed by Released Insurer Parties that provide or allegedly provide coverage or benefits to any Policyholder for Environmental Claims, including by not limited to the Century policies at issue in the [Environmental] Coverage Action; *provided, however*, that the term "Policies" shall not include insurance policies issued (i) by any insurer other than Released Insurer Parties (which for purposes of this sub-paragraph (i) only, shall not include an unaffiliated insurer that first becomes acquired by Released Insurer Parties after the Effective Date) except to the extent the Released Insurer Parties have assumed the policies of such other insurer as provided above; (ii) to any entity, heretofore unaffiliated with an Policyholder, that first becomes acquired by, or that first acquires, Building Materials Corporation of America, G-I Holdings Inc., or International Specialty Products Inc. after the Effective Date, but this sub-paragraph (ii) shall only apply with respect to said unaffiliated entity; or (iii) by Released Insurer Parties to Policyholders after the Effective Date." Settlement Agreement ¶ I(U). Capitalized terms used above shall have the meanings attributed to them in the Settlement Agreement.

² In connection with their 1991 corporate restructuring, the predecessors-in-interest to Policyholders allocated their environmental liabilities in general among the entities devolving from this corporate restructuring based on whether the primary waste-generator facility took part in the manufacture, distribution and sale of building materials or of chemical products or was a discontinued operation. This allocation continued in all subsequent corporate restructurings.

pending in the Superior Court of New Jersey, Law Division, Somerset County (the “Environmental Coverage Action”). Century is a defendant in the Environmental Coverage Action.

9. Policyholders, through the Environmental Coverage Action, seek coverage under insurance policies sold by, among other insurers, Century and/or its predecessors CCI Insurance Company, Insurance Company of North America, and Indemnity Insurance Company of North America

10. In the Environmental Coverage Action, Policyholders contend that, pursuant to the Policies, Century must provide coverage for the defense and indemnity costs at issue in the Environmental Coverage Action. Century disputes whether, and to what extent, the Policies afford Policyholders coverage for their claims in the Environmental Coverage Action.

D. The Settlement Agreement.³

11. Following extensive discovery in the Environmental Coverage Action and negotiations extending over many years, Policyholders and Century (collectively, the “Parties”) have entered into the Settlement Agreement which, subject to approval of this Court, fully and finally compromises and resolves the Environmental Coverage Action among Policyholders and Century. Consummation of the transactions described in the Settlement Agreement is conditioned upon a Final Order of the Bankruptcy Court approving the Settlement Agreement (the “Approval Order”).

12. The Settlement Agreement is to be implemented, in part, through

³ This summary of the Settlement Agreement is provided for the convenience of the Court and the parties-in-interest herein, but is qualified in its entirety by the terms of the Settlement Agreement. Capitalized terms used in this summary shall have the meanings attributed to them in the Settlement Agreement.

the sale of the Policy Rights pursuant to Bankruptcy Code § 363(b) (the “363 Sale”). The 363 Sale is to be free and clear of all interests, claims and encumbrances, including the claims of any Person in the Policy Rights, pursuant to Bankruptcy Code § 363(f).

13. Pursuant to the Settlement Agreement, to settle the outstanding disputes and to purchase the Policy Rights, Century agreed to place a specified amount (the “Settlement Amount”)⁴ into an interest bearing Escrow Account⁵ within thirty (30) days following the date of execution of the Settlement Agreement (the “Effective Date”).⁶ The Settlement Agreement further provides that, upon the Bankruptcy Court’s entry of the Approval Order, the Escrow Agent will release the Settlement Amount, plus accrued interest, to Policyholders.

14. Contemporaneously with the release of the Settlement Amount to Policyholders, the Settlement Agreement and the Approval Order provide that Century shall purchase the Policy Rights free and clear of all interests, claims and encumbrances of any Person in the Policy Rights, and all Persons holding such interests, claims or encumbrances shall be permanently enjoined from asserting the same against Century relating to the Policy Rights.

⁴ Because the Settlement Amount could impact the Debtor’s other claims in the Environmental Coverage Action, as well as its alleged liability to various governmental and other potentially responsible parties (“PRPs”), the Debtor has not included the specific amount in this Motion. Instead, the Debtor has agreed to provide this information and the Settlement Agreement to the Committee and the Legal Representative subject to an appropriate confidentiality agreement. The Debtor will file the details with the Bankruptcy Court under seal and is prepared to provide them to other interested parties (other than the remaining defendants in the Environmental Coverage Action, governmental entities asserting environmental claims, and co-liable PRPs at the environmental sites), subject to an appropriate confidentiality agreement, to the extent necessary to adjudicate the Motion. The Debtor will file those details with the Court under seal in accordance with the Order Pursuant to 11 U.S.C. § 107(b) and Fed. R. Bankr. P. 9018 Authorizing G-I Holdings Inc. to File Documents Under Seal (the “Seal Order”), entered by the Court on October 2, 2006.

⁵ The Parties have opened an interest bearing escrow account pursuant to the Escrow Agreement which is attached to the Settlement Agreement as Exhibit “B.”

⁶ The Settlement Amount is over and above an interim payment which Century made to Policyholders pursuant to a Defense Dispute Resolution Agreement (“DDRA”).

15. The Settlement Agreement also provides for comprehensive mutual releases by, and among, Century and Policyholders, of all claims and liabilities under the Policies for the Environmental Claims (the “Releases”). In connection with the Settlement and the Releases, ISP and BMCA, but not G-I, have agreed to indemnify Century from various claims arising under the Policies.

16. The Settlement Agreement further provides that within ten (10) business days after the Effective Date, the Parties shall submit to the court presiding over the Environmental Coverage Action a consent order (the “Consent Order”) which dismisses, without prejudice, all claims the Parties made against and among each other in the Environmental Coverage Action, and which, among other things, tolls all applicable statutes of limitation and other time-based defenses until the Approval Date. The court presiding over the Environmental Coverage Action signed the Consent Order on April 18, 2008.

E. Allocation of the Settlement Amount.

17. Due to the complexity of allocating environmental claims, Policyholders retained a consultant, Mr. Stephen Sellick, to assist in presenting their claims to Century. Mr. Sellick is the former Managing Director of the environment and insurance claims practice at LECG, LLC and currently is the Director of Gnarus Advisors LLC. Mr. Sellick specializes in the management of complex quantitative analysis in litigation matters, particularly matters involving environmental liability claims. Mr. Sellick’s experience includes the development and analysis of insurance allocation methodologies using computer-based models for the allocation of multi-year losses to multi-year policy programs.

18. In assisting Policyholders with quantifying their claims under the

Policies, Mr. Sellick, at the direction of outside counsel for Policyholders, McCarter & English, LLP, performed an allocation analysis involving Policyholders' triggered insurance policies, including Century's Policies (the "Allocation Analysis").⁷ In completing the Allocation Analysis, Mr. Sellick sought solely to maximize Policyholders' collective recovery.

19. Mr. Sellick's Allocation Analysis provides part of the basis for the Settlement Agreement. Policyholders also used the Allocation Analysis in allocating the recoveries in the Environmental Coverage Action, including the Settlement Amount, among Policyholders. As a result, giving effect to the various corporate restructurings (see n.2 supra.), Policyholders have allocated the Settlement Amount 31% to G-I, 66.3% to ISP, and 2.7% to BMCA.

F. Risks of Pursuing Litigation

20. Given the numerous sites and policies at issue in the Environmental Coverage Action, Policyholders faced substantial risks in pursuing, rather than settling the litigation. For example, for the relevant sites Century argued, among other things, that there was no coverage at all because Policyholders intended or expected the

⁷ The Environmental Coverage Action involves not only the Policies issued by Century, but numerous other policies issued by other insurers. Policyholders continue to litigate and attempt to settle their claims under these other policies, some of which provide "excess" coverage for the exact same claims. As a result, the Allocation Analysis remains confidential. To provide this analysis without confidential treatment would impact the Debtor's position and settlement discussions in the ongoing Environmental Coverage Action, as well as its alleged liability to governmental entities asserting environmental claims and other potentially-responsible parties ("PRP"). As a result, as with the Settlement Agreement as referenced in n.4, the Debtor has not filed this analysis with the Motion. Instead, the Debtor has agreed to provide relevant portions of the analysis to the Committee and the Legal Representative subject to an appropriate confidentiality agreement. Pursuant to the Seal Order, the Debtor will file the relevant portions of the analysis with the Bankruptcy Court under seal and will provide them to other interested parties (other than the defendants in the Environmental Coverage Action, governmental entities asserting environmental claims, and co-liaible PRPs at the environmental sites), subject to an appropriate confidentiality agreement, to the extent necessary to adjudicate the Motion.

contamination. Also, many of the sites at issue involved significant future liabilities which may have been difficult to establish.

21. Beyond this, completing the litigation would cause Policyholders to incur substantial additional costs and to suffer significant delays. Due to its complexity, the Environmental Coverage Action will have to proceed in stages and could take several more years to complete. Litigating with Century and the various other parties will be complicated and will cause Policyholders to incur substantial additional fees and costs. By removing Century from the litigation, Policyholders can focus on the remaining parties.

RELIEF REQUESTED AND BASIS THEREFOR

22. By this Motion, G-I seeks an order, pursuant to Bankruptcy Rules 9019, 2002 and 6004 and Bankruptcy Code §§ 105(a) and 363, (i) approving the terms of the Settlement Agreement; (ii) authorizing and approving the Settlement Transactions, including, but not limited to the compromises, settlements and releases set forth therein, (iii) authorizing and approving the 363 Sale of the Policy Rights, free and clear of any Interests of all Persons pursuant to section 363(f) of the Bankruptcy Code, and (iv) approving Policyholders' allocation of the Settlement Amount.

A. The Settlement Agreement is Fair and Equitable, is in the Best Interests of G-I's Estate, Represents G-I's Sound Business Judgment and Should be Approved by the Court Pursuant to Bankruptcy Rule 9019.

23. This Court has the right and power to approve the Settlement Agreement, the Settlement Transactions and the 363 Sale. See 11 U.S.C. § 363; Fed. R. Bankr. P. 9019.

24. The Third Circuit recognizes that insurance policies are property of

a debtor's estate within the meaning of Bankruptcy Code §541(a). See, e.g., First Fid. Bank v. McAteer, 985 F.2d 114, 116 (3d Cir. 1993) (citing Estate of Lellock v. Prudential Ins. Co., 811 F.2d 186, 189 (3d Cir. 1987)). Thus, the Court has authority over the proposed Settlement Agreement and Settlement Transactions because this Motion proposes a use or disposition of property of G-I's bankruptcy estate.

25. Bankruptcy Rule 9019(a) provides "[o]n motion by the trustee and after notice and a hearing, the court may approve a compromise or settlement." Fed. R. Bankr. P. 9019(a). In ruling on a motion pursuant to Bankruptcy Rule 9019(a), the court must find the proposed settlement fair and equitable and in the best interests of the debtor's estate. See Protective Comm. for Indep. Stockholders of TMT Trailer Ferry, Inc. v. Anderson, 390 U.S. 414, 424 (1968); In re Heldor Indus., Inc., 131 B.R. 290 (D.N.J. 1992), rev'd and vacated sub nom., State of N.J. Dept. of Env't Prot. & Energy v. Heldor Indus., Inc., 989 F.2d 702 (3d Cir. 1993); Fischer v. Pereira (In re 47-49 Charles Street Inc.), 209 B.R. 618, 620 (S.D.N.Y. 1997). To do so, the court should examine the settlement and determine whether it "falls below the lowest point in the range of reasonableness." Cosoff v. Rodman (In re W.T. Grant Co.), 699 F.2d 599, 608 (2d Cir. 1983). In determining whether a particular settlement falls within the "range of reasonableness," courts in the Third Circuit consider the following four factors: "(1) the probability of success in litigation; (2) the likely difficulties in collection; (3) the complexity of the litigation involved, and the expense, inconvenience and delay necessarily attending it; and (4) the paramount interest of the creditors." In re Martin, 91 F.3d 389, 393 (3d Cir. 1996).

26. Here, G-I submits that Policyholders' settlement with Century is fair and equitable and falls within the range of reasonableness. In determining to

compromise and settle its claims against Century, G-I has reviewed and considered all the factors pertinent to the approval of a compromise and settlement.

27. G-I believes that the terms and conditions of the Settlement Agreement are fair and reasonable in light of the costs and potential risks associated with continued litigation of the Environmental Coverage Action against Century. There is an ongoing dispute between the Parties regarding their respective rights and obligations with respect to insurance coverage under the Policies. To resolve this dispute, the Settlement Agreement was negotiated and proposed, and has been entered into by the Parties, in good faith, from arms' length bargaining positions, and without fraud or collusion.

28. The Environmental Coverage Action involves many complex questions of law and fact. G-I's probability of success in the Environmental Coverage Action is uncertain. Century has argued that Policyholders cannot recover at some substantial sites. There are also numerous legal issues which could be resolved against Policyholders. In addition, litigation of the Environmental Coverage Action is costly and G-I has been forced to allocate substantial resources to its resolution.

29. Moreover, G-I believes that this Settlement Agreement provides a significant value to G-I's bankruptcy estate and its creditors. The Settlement Agreement provides for the Settlement Amount to be paid to Policyholders by the Escrow Agent shortly after the Court's approval of this Motion. G-I, in its business judgment, believes that the creditors of its bankruptcy estate will be significantly better served by an immediate payment, rather than receiving an indeterminable amount at an indeterminable future time. Further, G-I will no longer allocate resources to resolving the Environmental Coverage Action with Century, saving the estate the costs of

prosecuting the Environmental Coverage Action as to Century. While the maximum recovery from Century could be greater than the Settlement Amount, the recovery could also be substantially less given the litigation risks.

30. In addition, G-I believes that the allocation of the Settlement Amount among Policyholders is fair and reasonable. As noted above (see n.2 supra), the various corporate restructurings allocated Policyholders' environmental liabilities and insurance coverage rights based on the status of the primary waste-generator facility. The Settlement Amount satisfies claims arising from Policyholders' various past and future indemnity costs. Based on Mr. Sellick's analysis and allocation of the claims among the sites and consistent with the allocation of the liabilities in the restructurings, Policyholders have allocated 31% of the Settlement Amount to G-I, 66.3% to ISP, and 2.7% to BMCA.

31. Consequently, G-I believes that the Settlement Agreement and the Settlement Transactions, including the 363 Sale, and the allocation of the Settlement Amount are fair and reasonable, are in the best interest of its creditors and its estate, and represent G-I's sound business judgment. Thus, G-I respectfully requests that the Court approve the Settlement Agreement, thereby authorizing and directing Policyholders to effectuate the Settlement Transactions, including the 363 Sale.

B. The Sale of G-I's Policy Rights Free and Clear of any Interests of All Persons is Authorized Pursuant to Bankruptcy Code § 363.

32. The Court's approval of this Motion will trigger the sale to Century of the Policy Rights free and clear of any interests of all persons. As set forth above, the Third Circuit has held that insurance policies are property of a debtor's bankruptcy estate pursuant to Bankruptcy Code § 541(a). See First Fid. Bank, 985 F.2d at 116.

Consequently, G-I's interests in the Policy Rights are subject to sale under Bankruptcy Code § 363(b)(1), which permits a debtor-in-possession to sell estate property outside of the ordinary course of its business, provided that there has been notice and a hearing. 11 U.S.C. § 363(b)(1).

33. The Bankruptcy Court indisputably has the authority to approve the sale of the Policy Rights pursuant to the Settlement Agreement, provided that the sale (i) complies with the requirements of Bankruptcy Code § 363(f) and (ii) satisfies Bankruptcy Code § 363(e)'s requirement to provide sufficient protection for any holder of an interest in the property being sold.

34. Bankruptcy Code § 363(f) permits a debtor to sell assets free and clear of claims, liens and encumbrances, if:

- (1) applicable nonbankruptcy law permits sale of such property free and clear of such interest;
- (2) such entity consents;
- (3) such interest is a lien and the price at which such property is to be sold is greater than the aggregate value of all liens on such property;
- (4) such interest is in a bona fide dispute; or
- (5) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f) (emphasis added).

35. Because § 363(f) is drafted in the disjunctive, satisfaction of any one of the enumerated conditions will be sufficient to warrant Policyholders' sale of the Policy Rights to Century free and clear of all liens, claims and encumbrances. In this case, one or more of the enumerated conditions are applicable to every entity that might assert an interest in the Policy Rights. More specifically, without limiting the generality of the foregoing, G-I respectfully submits that (i) those holders of interests in

the Policy Rights who do not object or who withdraw their objections to the Motion or the relief requested herein, should be deemed to have consented pursuant to Bankruptcy Code § 363(f)(2); and (ii) each holder of an interest in the Policy Rights can be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interests as contemplated by Bankruptcy Code § 363(f)(5).

36. Moreover, to the extent that any Person has an interest in the Policy Rights, such interest is adequately protected, as required by Bankruptcy Code § 363(e), because any such interest will attach to the proceeds of the 363 Sale.

37. Therefore, G-I respectfully requests that the Court authorize the Settlement Agreement and the Settlement Transactions, including, but not limited to, the 363 Sale, such that Policyholders may sell, transfer and assign their interests in the Policy Rights free and clear of all interests of any Person.

**C. Century is a Good Faith Purchaser and is Entitled to Protection
Under Section 363(m) of the Bankruptcy Code.**

38. Pursuant to Bankruptcy Code § 363(m), a good faith purchaser is one who purchases assets for value, in good faith and without notice of adverse claims. See In re Abbotts Dairies of Pa., 788 F.2d 143, 147-48 (3d Cir. 1986); see also, e.g., Mark Bell Furniture Warehouse, Inc. v. D. M. Reid Assocs., Ltd. (In re Mark Bell Furniture Warehouse, Inc.), 992 F.2d 7, 8 (1st Cir. 1993); Willemain v. Katz (In re Willemain), 764 F.2d 1019, 1023 (4th Cir. 1985).

39. G-I submits that the Settlement Agreement reached by the Parties was the result of arms' length negotiations and is entitled to the protections of Bankruptcy Code § 363(m). The parties have not engaged in any conduct that would (i) cause or permit the Settlement Agreement, or the sale of the Policy Rights contemplated

therein, to be avoided under Bankruptcy Code § 363(n); (ii) cause or permit any amounts, costs, attorneys' fees, expenses, or punitive damages to be recovered under Bankruptcy Code § 363(n); or (iii) prevent the application of Bankruptcy Code §363(m). Thus, the 363 Sale is not avoidable under section Bankruptcy Code § 363(n).

WAIVER OF MEMORANDUM OF LAW

40. Pursuant to D.N.J. LBR 9013-2, G-I respectfully requests that the Court waive the requirement that it file a memorandum of law in support of this Application. No memorandum of law is necessary because no novel issues of law are presented herein.

NOTICE

41. G-I has served notice of this Motion on (i) the Office of the United States Trustee for the District of New Jersey, (ii) the Official Committee of Asbestos Claimants, (iii) the Legal Representative, (iv) Century, (v) BMCA, (vi) ISP, (vii) all current and former parties to the Environmental Coverage Action, (viii) all claimants who have filed a proof of claim in the Debtor's bankruptcy case; and (ix) all other parties that have filed a notice of appearance in this case. In addition, pursuant to the Approval Order, G-I will publish notice of the Motion summarizing the terms of the Settlement and the date of the hearing on the Motion in the national edition of USA Today. G-I submits that, given the nature of the relief requested, no other or further notice need be given.

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CONCLUSION

WHEREFORE, G-I respectfully requests that the Bankruptcy Court approve the Settlement Agreement between Policyholders and Century, and further that the Bankruptcy Court approve the Settlement Transactions, including, but not limited to, the 363 Sale of the Policy Rights, and the compromises, settlements and releases set forth therein, and grant G-I such other and further relief as may be just.

Dated: May 7, 2008
Morristown, New Jersey

RIKER, DANZIG, SCHERER, HYLAND
& PERRETTI LLP

By: /s/ Dennis J. O'Grady
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